A Way Forward for Healthcare in America

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Disclaimer

- This presentation is meant to summarize the work the Office of the National Coordinator for Health Information Technology (ONC). In some areas, the presentation and/or the presenter may amplify elements of this framework based on observations of ongoing discussions within ONC. None of the information presented here is meant to obligate the Federal Government to follow any particular course of action, nor to espouse an official position of the Federal Government, for the present or in the future.

The President's Vision

- Medical information follows the consumer so they are at the center of their care

- Consumers choose physicians and hospitals based on clinical performance results

- Clinicians have complete patient history, computerized ordering and electronic reminders

- Quality initiatives measure performance and drive quality-based competition

- Public health and bioterrorism surveillance are seamlessly integrated into care

- Clinical research is accelerated and post-marketing surveillance expanded

Healthcare in America Is Complex

- Caregivers
- Organized care-delivery entities
- Local / State / National authorities
- Health Services (e.g. – freestanding labs)
- Public health surveillance
- Medical research
- Regional / socioeconomic care disparities
- Payers
- Employers
- Pharmaceutical industry
- HIT – vendors, infrastructure, integration, solutions, tools
- Electronic and paper-based information workflow
- Regional information sharing groups
- Standards & Interoperability groups

Market Failure Barriers and Challenges

- Payers don't reward efficiency or quality
  - Negative business case for typical health IT adopter
  - Significant EHR adoption gap based on organization size
- Market failure from negative network externalities
  - First mover disadvantage for health IT buyers
  - Short-term losses from adoption of standards
- High failure risk for business reengineering
  - Failure rate for EHR implementation exceeds 30%
  - Variable availability of expertise
- Limited capacity for interoperability
  - Standards are not rigorous and lag behind commercialization
  - No viable health information exchange infrastructure

April 27, 2004 Executive Order (13335)

The National Coordinator will:

- Direct HHS health IT programs;

- Be the principal advisor on health information technology to the Secretary of HHS;

- Coordinate HHS health IT programs with those of other relevant Executive Branch agencies;

- Coordinate outreach and consultation by Executive Branch agencies with public and private parties;

- Provide comments and advice regarding specific Federal health IT programs;

- Develop, maintain, and implement a strategic plan for widespread health information technology adoption; and

- Work with the Office of Management & Budget to plan and manage health information technology spending.
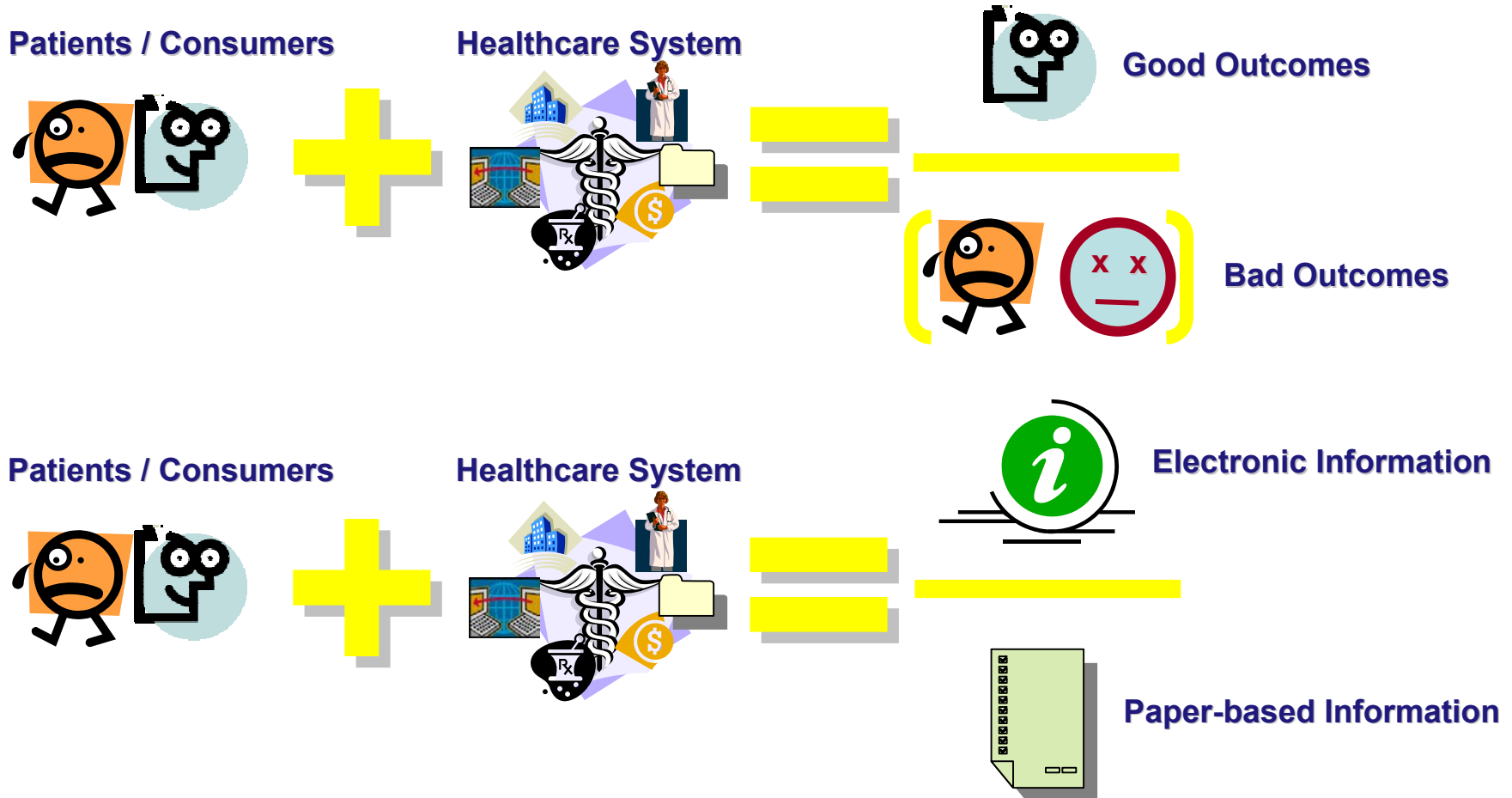
The Call to Action

- On July 21, 2004, the Secretary of the Department of Health & Human Services held a summit on health information technology
  - Declared the start of the Decade of Health
  - Published a Strategic Framework for Action to address the critical needs facing healthcare, through the targeted application of health information technology
  - Had leadership across public and private sectors stand up and pledge support of the framework
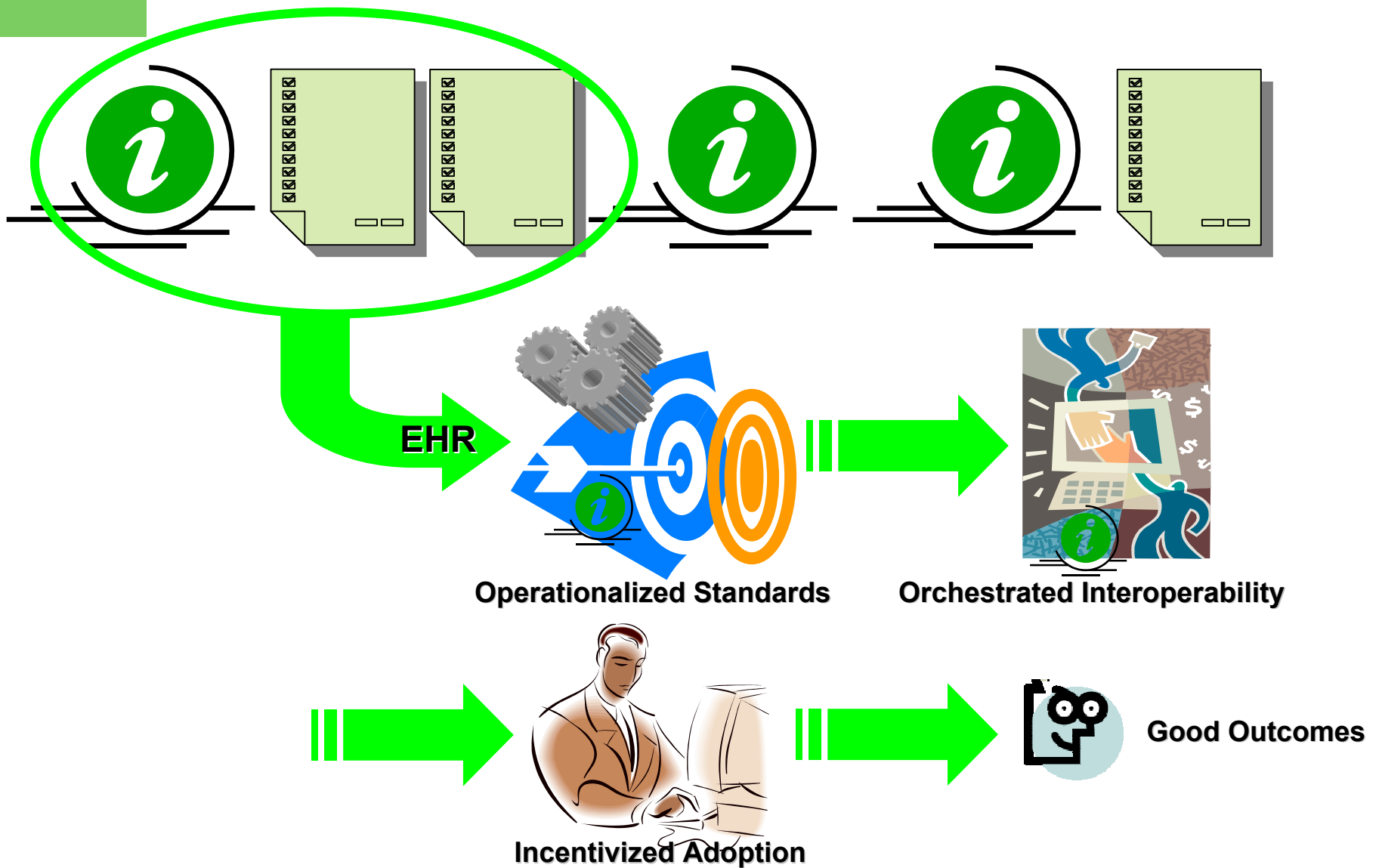
July 21, 2004 Strategic Framework

- ## Goal 1: Inform Clinical Practice
  - Incentivize Electronic Health Record (EHR) adoption
  - Reduce risk of EHR investment
  - Promote EHR diffusion in rural and underserved areas

- ## Goal 2: Interconnect Clinicians
  - Foster regional collaborations
  - Develop a national health information network
  - Coordinate federal health information systems

- ## Goal 3: Personalize Care
  - Encourage use of Personal Health Records (PHR)
  - Enhance informed consumer choice
  - Promote use of tele-health systems

- ## Goal 4: Improve Population Health
  - Unify public health surveillance architectures
  - Streamline quality and health status monitoring
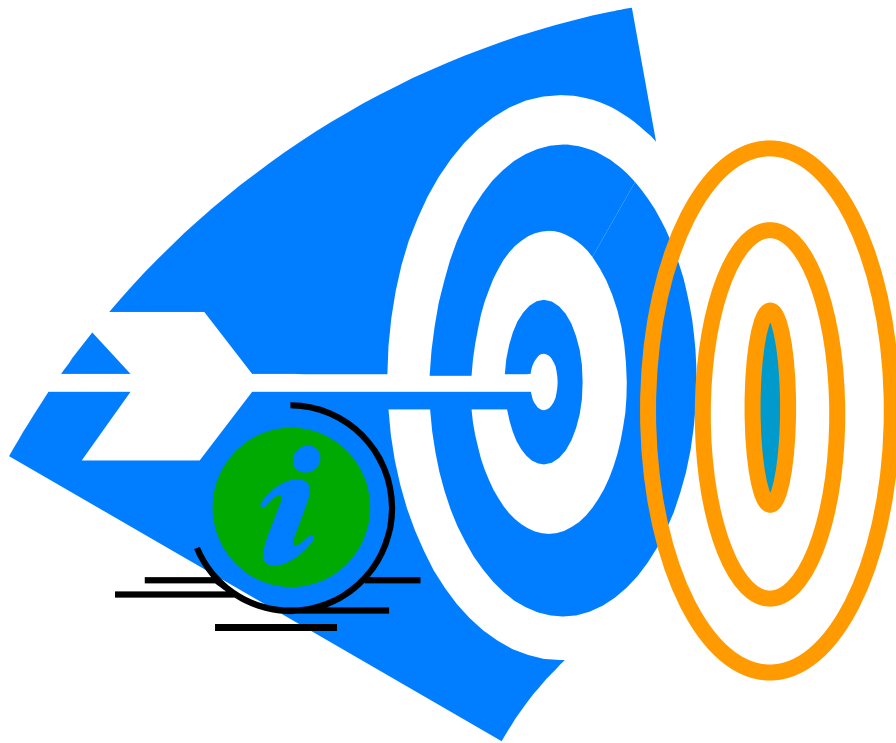 - Accelerate research and dissemination of evidence into practice

Understanding The Equations

Patients / Consumers + **Healthcare System** =

Good Outcomes

Bad Outcomes

Patients / Consumers + **Healthcare System** =

Electronic Information

Paper-based Information

Our Focus: The Electronic Health Record

EHR

Operationalized Standards

Orchestrated Interoperability

**Incentivized Adoption**

Good Outcomes

Standards

- Various standards authorities are publishing standards for different elements of healthcare
- Adoption is varied, with vendors pledging support, but often falling short of real utility
- Niche market has developed in systems integration due to inconsistent implementation of standards, or disregard of them
- The business case for incurring switching costs is often muddled at best: short-term narrow objectives are enemy of long-term, broad interoperability goals

Operationalized Standards
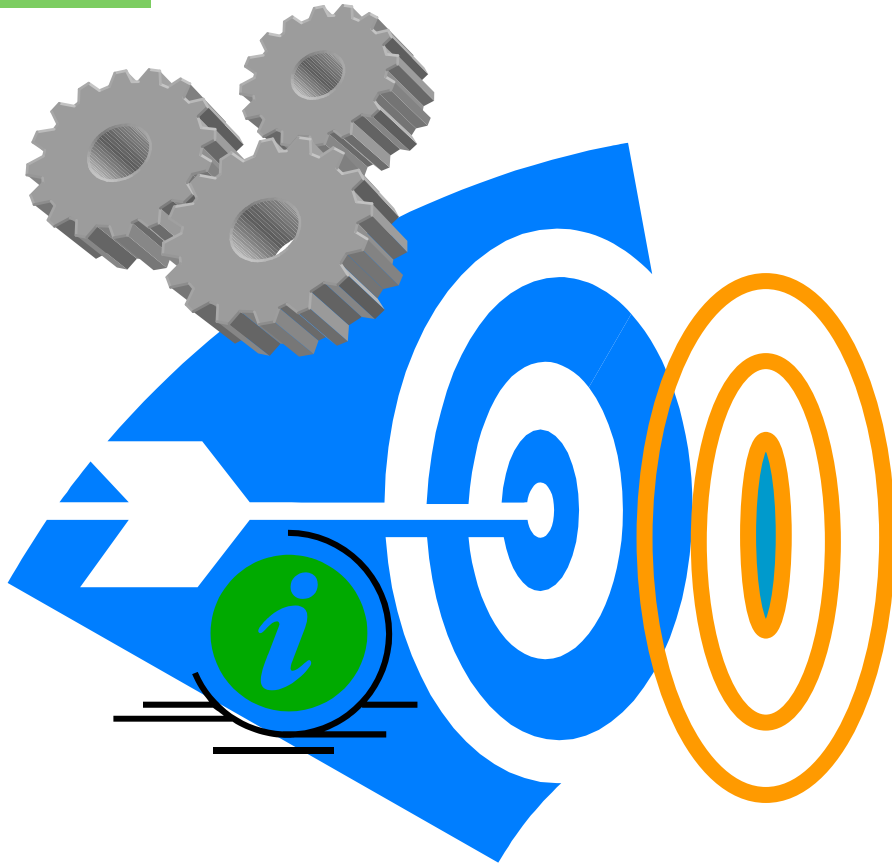
- Technical and data standards codified in the national health information network

- Business, legal, and privacy standard models codified in the regional health information organizations

- Implementation standards codified in product and implementation certifications

Interoperability

- There is a recognition that standards are necessary but insufficient for interoperability
- There are few examples of working interoperability models, though interest is high
    - There is no dominant design
- Attempts to date have been bottom-up efforts to define interoperability locally, and stitch together nationally as needed

Orchestrated Interoperability

- Information flow via a nationwide health information network
- Product certification that includes interoperability through the NHIN
- Implementation guidance and testing coordinated through regional health information organizations

Federal Policy Solutions: Three Building Block Strategies

Regional Health Information Organizations

- State or local entities to oversee and support regional health information exchange

- Multi-stakeholder governance with public health and quality improvement role

- Support of local EHR implementation in addition to technical assessment for NHIN deployment
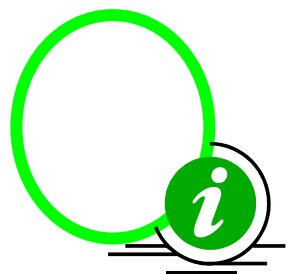
National Health Information Network

- A nation-wide utility that allows secure and seamless health information exchange

- Certification of EHR compliance with minimal standards set by the private sector

- Used by federal agencies to support data collection and internal health information exchange

## Electronic Health Record Adoption Strategy

- Reduce loss and risk for physicians investing in EHRs

- Implementation support for primary care physicians that leverage specialist and hospital adoption

- Medicare incentives, Federal and private purchaser support and liberalization of hospital-physician affiliations

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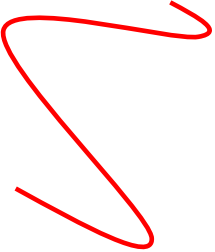# Regional Health Information Organizations (RHIOs)

- State or local entities to oversee and support regional health information exchange
- Multi-stakeholder governance with public health and quality improvement role
- Role of RHIOs:
  - Harmonize differences in state laws (e.g. – privacy laws)
  - Oversee business policies for data sharing
  - Support physician office implementation of eHRs

Regional Health Information Organizations (RHIOs)
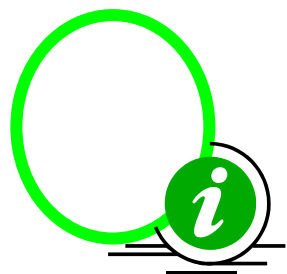
- 13 States have introduced or passed legislation for Statewide health IT efforts… or have Governor support
- 40 States have one or more community based health IT projects
  - AHRQ funding
  - HRSA funding
- 28 States have formal efforts underway developing one or multiple RHIOs to achieve interoperable EHR adoption
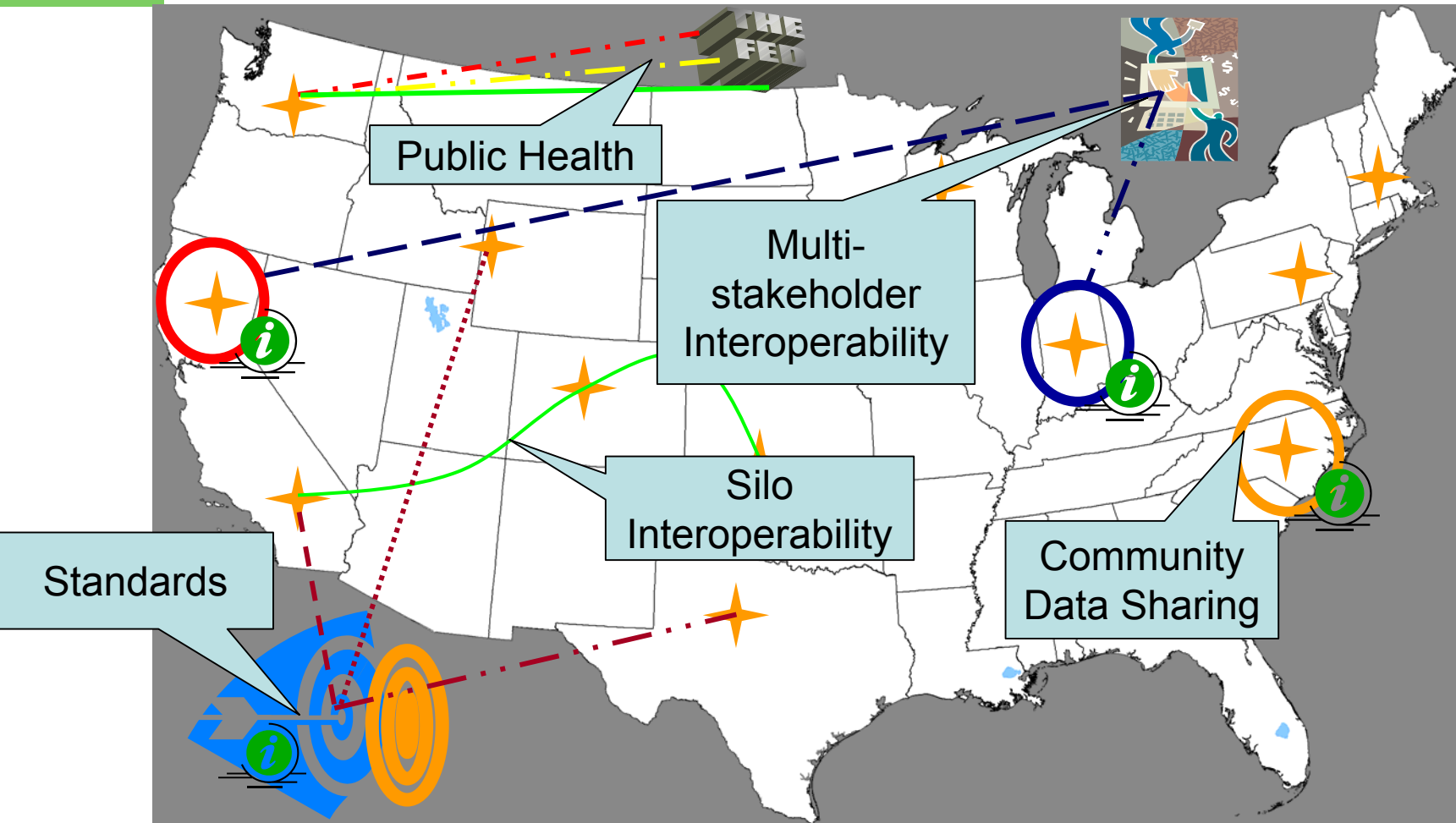
Nationwide Health Information Network

- A nationwide utility that allows secure and seamless health information exchange
- Capitalized by public and private investment and operated by private organizations
- Role of NHIN:
  - Connect clinicians to allowable data about their patients
  - Used by federal agencies to support data collection or internal data sharing objectives
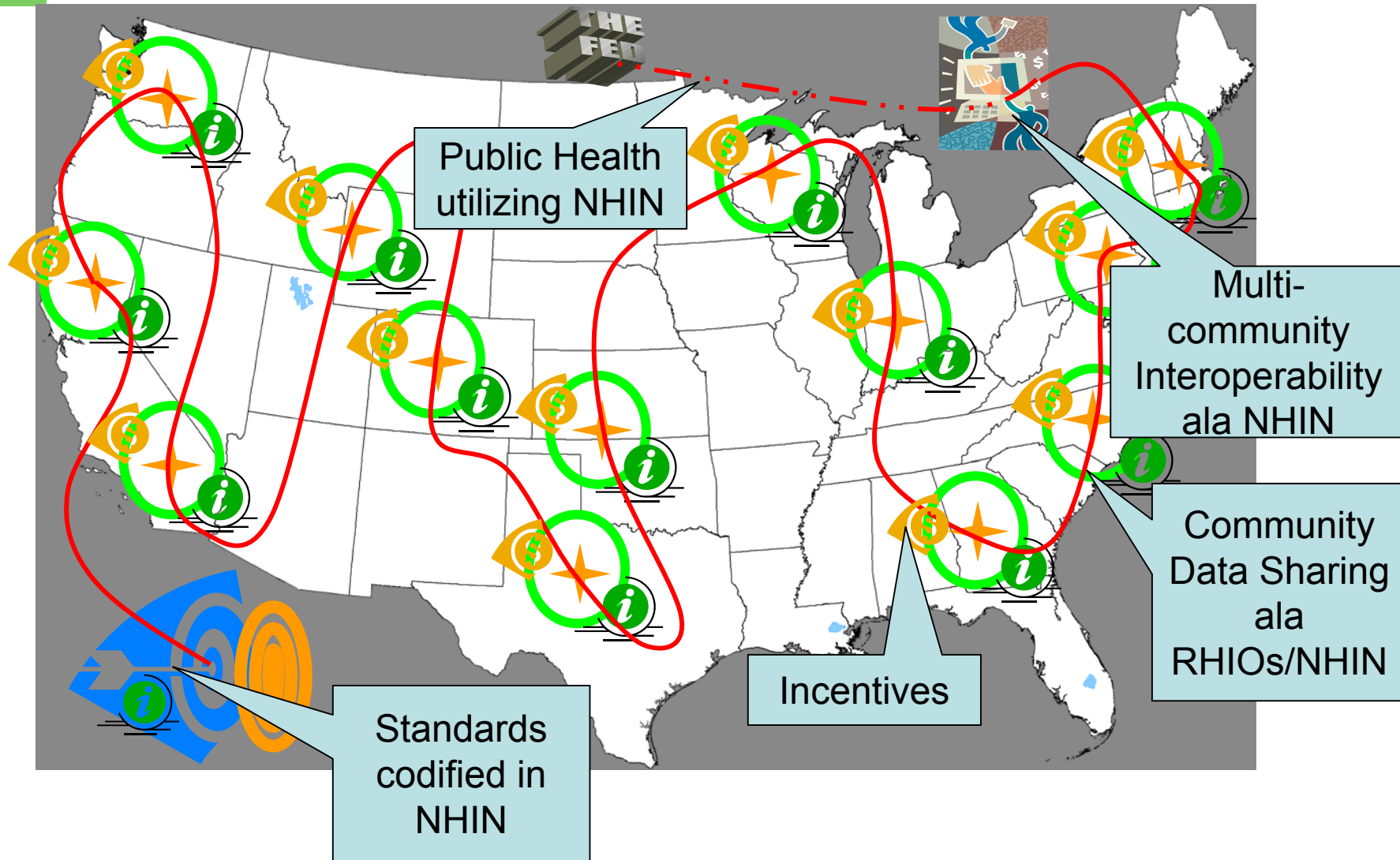
RFI – Overview

- Purpose: Obtain comments on how best to build, operate, and sustain the National Health Information Network for widespread interoperability and health information exchange.

- Questions: 24 questions in six categories:
  - General
  - Organization & Business Framework
  - Management & Operational Considerations
  - Standards & Policies to Achieve Interoperability
  - Financial, Regulatory Incentives & Legal Considerations
  - Others-Technical Architecture

- Response: Over 500 responses from all quarters of industry, and more than 15 federal agencies desiring to participate in analysis

Current National Landscape

Public Health

Multi-stakeholder Interoperability

Silo Interoperability

Standards

Community Data Sharing

Envisioned National Landscape

Public Health utilizing NHIN

Multi-community Interoperability ala NHIN

Community Data Sharing ala RHIOs/NHIN

Incentives

Standards codified in NHIN

Interoperability

- Public Sector Interoperability
- Private Sector Interoperability
- Public / Private Interoperability

Major Tenets

- Public / Private ownership of the problem and the solution
- Leverage federal buying power, employment power, and Medicare power to bring about change
- Take advantage of best practices and build upon existing foundations
- Focus on actions, decisions, and measurable forward progress

For More Information

http://www.hhs.gov/healthit/

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